

§ 329.2

12 CFR Ch. III (1–1–16 Edition)

complexity, risk profile, scope of operations, affiliation with foreign or domestic covered entities, or risk to the financial system.

(5) In making a determination under paragraphs (b)(1)(iv) or (4) of this section, the FDIC will apply notice and response procedures in the same manner and to the same extent as the notice and response procedures in 12 CFR 324.5.

[79 FR 61540, Oct. 10, 2014, as amended at 79 FR 61541, Oct. 10, 2014]

§ 329.2 Reservation of authority.

(a) The FDIC may require an FDIC-supervised institution to hold an amount of high-quality liquid assets (HQLA) greater than otherwise required under this part, or to take any other measure to improve the FDIC-supervised institution's liquidity risk profile, if the FDIC determines that the FDIC-supervised institution's liquidity requirements as calculated under this part are not commensurate with the FDIC-supervised institutions's liquidity risks. In making determinations under this section, the FDIC will apply notice and response procedures as set forth in 12 CFR 324.5.

(b) Nothing in this part limits the authority of the FDIC under any other provision of law or regulation to take supervisory or enforcement action, including action to address unsafe or unsound practices or conditions, deficient liquidity levels, or violations of law.

§ 329.3 Definitions.

For the purposes of this part:

Affiliated depository institution means with respect to an FDIC-supervised institution that is a depository institution, another depository institution that is a consolidated subsidiary of a bank holding company or savings and loan holding company of which the FDIC-supervised institution is also a consolidated subsidiary.

Asset exchange means a transaction in which, as of the calculation date, the counterparties have previously exchanged non-cash assets, and have each agreed to return such assets to each other at a future date. Asset exchanges do not include secured funding and secured lending transactions.

Bank holding company is defined in section 2 of the Bank Holding Company Act of 1956, as amended (12 U.S.C. 1841 *et seq.*).

Brokered deposit means any deposit held at the FDIC-supervised institution that is obtained, directly or indirectly, from or through the mediation or assistance of a deposit broker as that term is defined in section 29 of the Federal Deposit Insurance Act (12 U.S.C. 1831f(g)), and includes a reciprocal brokered deposit and a brokered sweep deposit.

Brokered sweep deposit means a deposit held at the FDIC-supervised institution by a customer or counterparty through a contractual feature that automatically transfers to the FDIC-supervised institution from another regulated financial company at the close of each business day amounts identified under the agreement governing the account from which the amount is being transferred.

Calculation date means any date on which an FDIC-supervised institution calculates its liquidity coverage ratio under § 329.10.

Client pool security means a security that is owned by a customer of the FDIC-supervised institution that is not an asset of the FDIC-supervised institution, regardless of a FDIC-supervised institution's hypothecation rights with respect to the security.

Collateralized deposit means:

(1) A deposit of a public sector entity held at the FDIC-supervised institution that is secured under applicable law by a lien on assets owned by the FDIC-supervised institution and that gives the depositor, as holder of the lien, priority over the assets in the event the FDIC-supervised institution enters into receivership, bankruptcy, insolvency, liquidation, resolution, or similar proceeding; or

(2) A deposit of a fiduciary account held at the FDIC-supervised institution for which the FDIC-supervised institution is a fiduciary and sets aside assets owned by the FDIC-supervised institution as security under 12 CFR 9.10 (national bank) or 12 CFR 150.300 through 150.320 (Federal savings associations) and that gives the depositor priority over the assets in the event the FDIC-